



**NATIONAL OPEN UNIVERSITY OF NIGERIA**

**DEPARTMENT OF ECONOMICS**

**FACULTY OF SOCIAL SCIENCES**

**2025\_1 EXAMINATION**

**COURSE TITLE: ADVANCED MACROECONOMICS**

**COURSE CODE: ECO 442**

**UNITS: 2**

**TIME ALLOWED: 2 HOURS**

**INSTRUCTION: ANSWER QUESTION ONE (1) AND ANY OTHER TWO (2) QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS**

- 1a. Critically examine the causes of Unemployment in Nigeria. (7.5 Marks)
- b. What are the effects of Unemployment on the Nigerian economy? (7.5 Marks)
- c. Briefly explain any three (3) of the following theories:
  - i. Marxian growth theory (5 Marks)
  - ii. Schumpeterian growth theory (5 Marks)
  - iii. Classical growth theory (5 Marks)
  - iv. Harrod-Domar growth model (5 Marks)
- 2a. The term circular flow of income explains the movement of real and monetary resources from household to household. Justify this statement using at least 2-sector model (8 Marks)
  - b. list and clearly explain any three (3) measures of aggregate income. (9 Marks)
  - c. Give a brief explanation of National Income (3 Marks)
3. Marginal Efficiency Theory of Investment according to Keynes compares the expected return on new capital investment and the rate of interest payable on such loanable funds. Critically examine this theory, alongside its shortcomings. (20 Marks)
- 4a. Clearly explain the term “Economic Growth” (6 Marks)
- b. Economic Growth and Economic Development are basically the same. Discuss (8 Marks)
- c. Explain any two (2) measurements of economic growth and development. (6 Marks)